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THE ROLE OF THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION (ISO) IN GOVERNING ENVIRONMENTAL CONFLICT AND CORPORATE SOCIAL RESPONSIBILITY IN DEVELOPING COUNTRIES: QUESTIONS FOR RESEARCH

STEPAN WOOD*

1. INTRODUCTION

One of the most pressing questions in the field of environmental law is how to ensure that business firms conduct themselves in a way that respects the natural environment and the rights and dignity of the people and communities whose lives are affected by their decisions and actions. Abuse of the environment by corporations is still unfortunately, still very common despite decades of experience with various forms of legal regulation at both international and national levels. Concerned businesses, governments, civil society organizations, researchers and others are eager to find workable solutions to this problem and innovative ways to foster corporate social responsibility (CSR). This paper considers the potential role of "private," non-legal

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institutions and norms, in particular the International Organization for Standardization (ISO) and its standards, in the promotion of CSR and the resolution of environmental conflicts in developing countries. Specifically, it describes the questions to be addressed in a major research project that is now getting underway on this subject. On a broader level, the paper seeks to contribute to ongoing normative debates in both academic and policy circles about the proper role of states, law, markets, business and civil society in the governance of human affairs, the production and reproduction of power relations and the achievement of just, healthy and sustainable societies.

Voluntary CSR standards lie at or outside the margins of environmental law as most lawyers and legal academics conceive it. Nonetheless I contend that they should be of great interest to environmental lawyers. Anyone who wishes to understand the possibilities and limitations of environmental law, whether in Colombia, Canada or elsewhere, must look beyond the conventional boundaries of environmental law to a range of other mechanisms, private and public, voluntary and mandatory, state and non-state, through which environmental governance is accomplished.

The paper proceeds in four parts. In Part 2 I describe the recent renaissance of the idea of corporate social responsibility. In Part 3 I introduce ISO and its rapidly evolving role in the field of corporate social responsibility. In Part 4 I describe the research project of which this paper forms a part, with particular emphasis on the position and role of developing countries in ISO and the implications of ISO CSR standardization for developing countries. I also introduce a case study of Colombia, through which I intend to explore this issue. Finally, in Part 5 I describe in detail the research questions to be addressed in this project.

2. CSR AND ENVIRONMENTAL CONFLICT

In the last fifteen years or so the idea of CSR has enjoyed a massive surge of attention. Codes of conduct and other initiatives for socially or environmentally responsible business have been developed by a wide variety of actors, from environmental and human rights groups to multinational corporations and international organizations. These initiatives reflect a growing consensus around the notion of the "triple bottom line" (Elkington 1998). In

this logic, business firms can and should maximize their social and environmental performance as well as their financial bottom line, and they can and should be responsible not just to their shareholders but to a wide range of other "stakeholders" including workers, consumers, environmentalists and local communities (see, e.g., Schmidheiny 1992; Gladwin 1992; Welford 1998; Hopkins 1999; Bendell 2000; WBCSD 2000; Andriof & McIntosh 2001).

Many actors who were formerly skeptical of or outright hostile toward CSR have embraced the new consensus, including some governments, labour unions and moderate environmental and human rights groups. In this emerging policy consensus, business is no longer viewed solely as a culprit in environmental degradation and social injustice but as a necessary part of the solution to these problems. Whether this acknowledgement is reluctant or enthusiastic, it signals a widening agreement that the active participation and initiative of business are essential to achieve environmental protection and social justice.

Notwithstanding this emerging consensus on the desirability of corporate social responsibility, the problem of corporate environmental and human rights abuses appears to be as serious as ever. Conflicts pitting business firms and sometimes government authorities against host communities, indigenous groups, workers, labour organizers, environmentalists, human rights groups, consumer groups and grassroots social movements remain frequent and intense. Examples include conflicts over illegal contamination of surface water, depletion of ground water, displacement and resettlement of local people, failure to respect the wishes of local communities, disturbance of indigenous peoples' lands, unsafe disposal of hazardous wastes, massive deforestation due to logging or burning, destruction of critical wildlife habitat, production of inherently dangerous or unhealthy products, massive emissions of greenhouse gases or disease-causing pollutants, mistreatment of workers, flouting of international labour or human rights standards, complicity in the use of excessive violence by security forces, exacerbation of armed conflicts, perpetration of fraud upon taxpayers or investors, opposition to stricter environmental or social obligations, and so on. These sorts of behaviour remain regular features of many corporations' interactions with their physical and social environments. They occur in both developed and developing countries, although

they often take different forms and have different dynamics and implications in these two settings.

What makes the challenge of CSR particularly difficult today is a widespread crisis of faith in conventional governance institutions. There is a widespread feeling that economic globalization, increasing disparities of wealth and poverty, environmental problems and other contemporary crises of industrial modernity outstrip the capacities of conventional governmental institutions of the state and territorial sovereignty to resolve them. Some actors, in particular many members of the NGO community and some environmental and social regulators, accept this proposition with resignation, while others, especially many in the business community, embrace it more triumphantly.

This has led to a widespread search for "post-regulatory" (Black 2001; Scott forthcoming) solutions to the problem of corporate social responsibility. In particular there is a strong interest in various forms of "private" governance beyond the state (e.g. Teubner 1997; Cutler, Haufler & Porter, 1999). CSR offers a testing ground for such governance, inasmuch as many contemporary CSR initiatives seek to enlist the capacities and willingness of businesses, consumers, public interest groups and others to regulate themselves and each other without invoking the heavy hand of the state, at least not directly (cf. Grabosky 1995).

3. THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION AND GLOBAL CSR STANDARDS

It is in this context that the International Organization for Standardization (ISO) has begun to play a role in the CSR arena. ISO is the leading source of voluntary technical standards for business. It is a federation of approximately 150 national standards-setting bodies.¹ It develops technical standards in almost every sector of industrial activity. Its standards quietly pervade

¹ As of January, 2004, ISO had 148 national member bodies, comprising 97 full members (with voting rights), 36 correspondent members and 15 subscriber members. (ISO, 2004). Correspondent and subscriber members have no voting rights and include some of the world's least-developed countries along with a number of small developing countries and countries with economies in transition (the only advanced industrial economy in the group is Hong Kong, which is not a full member because countries are permitted only one ISO member body each and that role is played by China's national standards body). (ISO, 2003c).

many aspects of daily life. Many people have heard of ISO photographic film speed ratings. Some have been momentarily curious at the sight of a billboard declaring a facility to be "ISO 9001 Certified". Some consumers may recognize and feel vaguely reassured by markings on consumer products indicating that the product meets particular standards. But this is the extent of most people's knowledge of ISO or other standardization bodies. These bodies and their standards are almost entirely unknown outside a specialized standards community and have gone essentially unnoticed in the recent waves of controversy that have swamped the major international trade and financial organizations.

3.1 THE ISO 14000 ENVIRONMENTAL MANAGEMENT SYSTEMS STANDARDS

ISO entered the CSR field in earnest in the early 1990s when it began to develop the ISO 14000 series of voluntary environmental management standards. The core standards in this series take a "management systems" approach to environmental issues. This approach treats problems such as poor corporate environmental performance or inconsistent product quality as evidence of management failures. The principal solution to these problems is to implement robust management systems in the organizations concerned. A management system is an integrated framework of policies, procedures, roles and responsibilities that enables an organization to identify, set goals for and manage its quality, environmental, health and safety, financial or other performance in a systematic way.

The management systems approach was borrowed from the quality assurance field. By the 1980s quality management systems (QMSs) were widely touted as essential for assuring consistent quality of goods and services. The ISO 9000 series of QMS standards, first published by ISO in 1987, took global industry by storm and quickly became *de facto* requirements for doing business in numerous jurisdictions and industry sectors. By the early 1990s, in the wake of several high profile corporate environmental disasters including the Union Carbide explosion in Bhopal and the Exxon Valdez oil spill in Alaska, environmental management systems (EMSs) were viewed by many industry leaders as essential to ensure adequate management of corporate environmental risks. It was not long before ISO began to develop EMS standards for

the global market. It established a new Technical Committee, TC 207, for this purpose in 1993 and published the first editions of its core EMS standards, ISO 14001 and 14004, in 1996 (ISO 1996a, b).

ISO 14001 and 14004, like other leading management system standards, are based on the cyclical Plan-Do-Check-Act ("PDCA") model popularized by W. Edwards Deming in the 1950s. An EMS based on the PDCA model requires an organization to:

- *Plan* its environmental management, by setting a top-level environmental policy, identifying the environmental impacts of its activities, products and services, setting environmental objectives and targets and developing action plans to achieve these objectives and targets;
- *Do* what it has planned to do, by assigning roles and responsibilities, providing adequate resources, implementing environmental procedures in all its key operations, training the relevant personnel, communicating relevant information both within and outside the organization, keeping the documents needed for the EMS to function and maintaining emergency preparedness procedures;
- *Check* what it has done, by monitoring and measuring its environmental performance, periodically evaluating its compliance with applicable environmental laws, investigating any failures or "non-conformities" in the management system and conducting periodic audits of the EMS; and
- *Act* to correct problems and improve future performance, by mitigating the environmental impacts of existing problems, taking corrective action to eliminate their causes, taking preventive action to avoid future problems, conducting regular top management reviews of the EMS to ensure its continuing suitability and effectiveness and implementing changes to the EMS identified in the management review process.

This repetitive cycle is intended to result in an upward spiral of "continual improvement" in which the management system and, ultimately, the organization's environmental performance, improve in a step-wise fashion over time.

ISO management systems standards have been tremendously influential in industry. The number of organizations implementing ISO 9000 and

14001 has grown rapidly since each standard was introduced, achieving double digit percentage growth annually. The number of ISO 9000 and 14001 certificates issued to organizations worldwide gives some indication of the popularity and rapid spread of these standards.² As of December 31, 2002, there were at least 561,747 ISO 9000-certified organizations worldwide, located in 159 countries or economies. This represents more than a doubling of certificates in five years (there were 223,000 in 1997) and a twenty-fold increase over ten years (there were around 28,000 certificates in January, 1993, spread among only 48 countries). The spread of ISO 14001 certificates has been even more rapid. There were at least 49,462 ISO 14001-certified organizations at the end of 2002, located in 118 countries or economies. This represents a 35% increase over the previous year and a more than thirty-fold increase over 1996, the year the standard was first published (when there were around 1,491 certificates in 45 countries).

3.2 GENERIC ISO CSR STANDARDS: COMING SOON

Building on the success of its quality and environmental management systems standards, ISO now stands poised to develop generic standards for corporate social responsibility. Most of the CSR initiatives that have proliferated in recent years have been developed outside the national and international standardization systems. But recently national standards bodies in several countries, including Australia, Austria, Brazil, Colombia, France, Israel, Japan, Malawi, Mexico, Spain, the United Kingdom and the United States, have begun to develop standards for CSR or related subjects such as corporate ethics or integrated "sustainability" management.³ National standards bodies in numerous other countries have established advisory committees on the subject of CSR standards.

² This indication is partial for at least two reasons: many organizations adopt the standards without seeking third-party certification and figures on actual certificates issued are incomplete. All figures for ISO 9000 and 14001 certificates are taken from ISO, 2003a.

³ Information on these and other CSR standardization initiatives is available from the ISO Corporate Social Responsibility and Standards Forum, an electronic forum moderated by Dr. Kernaghan Webb of the Office of Consumer Affairs of the government of Canada's Department of Industry. To subscribe to the Forum, contact Dr. Webb at webb.kernaghan@ic.gc.ca.

Some consumer advocates, business people and ISO member bodies would like ISO to develop global standards for CSR based on the management systems approach that has been so influential in the environmental and quality fields (e.g. ISO/COPOLCO 2002). ISO established an advisory group on CSR in 2002. In June 2004, ISO's central management decided to go ahead with the development of CSR standards or guides.

3.3 MANAGEMENT SYSTEMS STANDARDS: ISO BREAKS NEW GROUND

The development of management systems standards has been a significant departure for ISO, a fact even ISO itself acknowledges (ISO, 2003b). The vast majority of ISO standards state technical specifications that are highly specific to particular products, materials or processes. Standards for screw thread size or photographic film speed are good examples. In addition, ISO traditionally developed standards only when there were already numerous national standards in place, with a view to harmonizing existing national standards. ISO's entry into the field of management systems standards changed this situation in at least three ways. First, management systems standards are generic, which means that they "can be applied to any organization, large or small, whatever its product, including whether its 'product' is actually a service, in any sector of activity, and whether it is a business enterprise, a public administration, or a government department" (ISO, 2003b). With management systems standards, ISO moved from developing product- and process-specific technical specifications to developing generic norms that are widely applicable across public and private sectors, socio-economic settings and organization types.

Second, ISO developed the ISO 14000 EMS standards essentially "from scratch," before there was substantial experience with the use of EMSs in industry or with EMS standards development at the national level. If it goes ahead with CSR standards it will also be charting new territory in the absence of substantial experience at the level of national standards bodies. In the management systems field, ISO has reinvented itself as a proactive norm creator rather than a cautious harmonizer of existing norms.

Third, the development of generic management systems standards signalled ISO's entry into an arena with much broader implications

than it was accustomed to addressing. Generic management systems standards have reverberations well beyond the business world, affecting a range of issues important to policy makers and the public. The breadth and significance of these implications has increased with each generation of management systems standards ISO has developed. The ISO 9000 quality management systems standards have had substantial implications for international trade, both among advanced industrialized countries and between developing and developed economies. The ISO 14000 EMS standards, in addition to having controversial trade implications, have substantial implications for environmental quality, sustainable development, environmental regulation and corporate transparency and accountability. The potential development of generic CSR standards will expand the range of implications even further to encompass such concerns as human rights, labour relations and social justice. In short, ISO's entry into field of CSR standards has taken it far from the familiar terrain of technical product and process standardization into a substantially new territory where its actions carry ever higher stakes not just for business firms but for public policy, civil society and the natural environment.

Largely because of their rapid uptake by business and their broad implications, ISO's EMS standards have attracted increasing attention from governments, civil society groups and researchers in recent years. This attention has intensified as public authorities around the world have begun to experiment with ways of integrating EMSs into their own regulatory strategies and government operations (e.g., Speir 2001; Wood 2002-03, 2003). There is now a substantial body of academic research, professional commentary and government publications on EMSs and EMS standards. Nonetheless, this attention is restricted to a relatively small community of standards professionals, consultants, business firms, government authorities, international organizations, civil society groups and researchers. This community is concentrated overwhelmingly in the advanced industrialized economies. Very little is known about ISO, standardization, management systems or ISO's emerging role in the CSR field outside this community. The large majority of consumer, environmental, human rights and development

groups has paid little or no attention to ISO.⁴ The same is true of most lawyers and legal academics. The general level of knowledge of ISO's EMS standards, its impending development of generic CSR standards, and the implications of these initiatives for public policy, law, environmental quality, and social justice remains extremely low.

4. THE RESEARCH PROJECT

4.1 GOVERNING GLOBAL BUSINESS IN A POST-REGULATORY ERA

I am conducting a research project that is intended, in part, to address this gap in scholarly and professional knowledge.⁵ The purpose of the project is to evaluate ISO's rapidly developing role in the field of corporate social responsibility. The project began in April, 2004 and will be conducted over three years. It is forward-looking in the sense that it is intended to make a critical contribution to ongoing debates, within and outside the standardization community, about whether and how ISO should develop generic CSR standards, what these standards should say and what role, if any, they should play in relation to other tools for the governance of global business. Given the early stage of ISO's involvement in generic CSR standardization, this project is well timed to contribute to these debates. The project is also backward looking in that it will seek to identify what lessons can be learned from ISO's existing forays into the field of corporate social responsibility, in particular

⁴ This is due partly to NGOs' ignorance of the public policy implications of EMS and CSR standards, and partly to NGOs' negative experiences with ISO. As an example of the latter, the World Wildlife Fund participated as a liaison member (essentially an observer) in the early stages of the development of ISO 14001 but resigned its membership due to concerns about both the standards development process (including domination by industry, lack of transparency and inadequate accommodation of NGOs) and the content of the standards (including lack of environmental performance or public reporting requirements and TC 207's refusal to develop an EMS standard for the forestry sector that might complement or replace the Forest Stewardship Council's sustainable forestry certification system, in which the WWF was heavily involved). NGO interest has rekindled since 2000 or so as the public policy implications of the ISO 14000 standards have become clearer, but in general it remains very low.

⁵ The project, entitled "Governing Global Business in a Post-Regulatory Era? The International Organization for Standardization and Global Standards for Corporate Social Responsibility," is funded by a three-year Standard Research Grant from the Social Sciences and Humanities Research Council of Canada.

the ISO 14000 EMS standards. It will explore numerous linkages – in issues, actors, institutions, etc. – between ISO's existing involvement in the environmental management field and its unfolding role in the generic CSR field.

At the broadest level, the project is intended to investigate the question of how business can and should be governed, or govern itself, in a “post-regulatory” era and what the stakes and effects of such governance might be. The project is intended to advance theoretical and practical debates about environmental protection, corporate conduct, the future of law and the state, the prospects for effective governance “beyond the state” and the complex hybridization of “public” and “private” authority in contemporary governance. At the most basic level, it is based on the premise that anyone who wishes to understand the possibilities and limitations of environmental regulation, whether in developed or developing economies, must expand their perspective beyond the conventional boundaries of environmental law to include the whole range of private and public, voluntary and mandatory, state and non-state mechanisms through which environmental governance is accomplished.

4.2 ISO AND DEVELOPING COUNTRIES

One of the central issues to be addressed in this project is the role of developing countries in ISO and the implications of ISO CSR standardization for developing countries. If experience with the ISO 9000 and 14000 standards is any guide, interest in ISO CSR standardization in developing countries is likely to focus on the following issues.

First, trade implications have been the main driver for interest in ISO management systems standards in most developing countries. If customers or governments in major export markets begin to require firms to implement or be certified to ISO standards, many producers in developing countries fear that they will be squeezed out of these markets because they will find fulfilment of these requirements impossible or, at best, more difficult and costly than it is for developed country industry. Many developing country observers see ISO management systems standards as “yet another non-tariff barrier aimed at developing country economies” (Roht-Arriaza, 1997, p. 597). Yet while they resent international standards that effectively condition access to export markets, they are even more fearful of being excluded from those markets. This

fear is what drives many developing country producers and governments to embrace ISO management systems standards. They wish to ensure that local firms are able to meet the standards so they will not be excluded from international markets. Moreover, if ISO standards are going to apply in their country there is a strong incentive to ensure that they are applied everywhere else as well, for fear of a "race to the bottom" in which international customers take their business to places where costs are lower because the standards are not observed. The paradoxical result is that some of the most dedicated advocates of ISO management systems standards are found in developing countries. Many developing country producers and governments find themselves championing global standards they do not really want, in order to bolster their fragile competitive position vis-à-vis producers elsewhere.

A second major concern for developing countries is the participation of developing country representatives in ISO standards development. Developing countries are under-represented in ISO and there is a widespread perception that big business interests from advanced industrialized countries dominate most ISO proceedings. Developing country representatives played almost no part in the first five years of the drafting of the ISO 9000 standards and were "conspicuously underrepresented" in the decisive early stages of the drafting of the ISO 14000 series (Clapp, 1998, p. 306). There is a widespread sense that developing country representatives are unable to participate fully and effectively in ISO standards development, due, among other things, to limited resources and expertise. This situation is in turn widely perceived as inconsistent with the now well-established principle that developing countries should participate fully and effectively in global decision making (eg. Clapp, 1998).

A third concern, related to the second, is that ISO standards may not recognize adequately the special circumstances and needs of developing countries (e.g. Gleckman & Krut, 1997; Krut & Gleckman, 1998; Clapp, 1998). In most multilateral environmental negotiations of recent years, developing countries have demanded and secured recognition that their historic contribution and current ability to respond to environmental problems are not the same as those of developed countries. This acknowledgement is reflected in differentiated obligations for developing countries (e.g. different targets and timetables) and commitments by developed countries to provide developing countries with

resources and technology to implement international agreements. ISO members steadfastly resisted demands to include phase-in periods or provisions for transfer of resources or clean production technology to developing countries in the ISO 14000 series. Some developing country representatives considered this refusal a rollback of important gains achieved by developing countries in intergovernmental environmental negotiations (Clapp, 1998). Some developing country representatives worry that they will encounter similar problems in the development of generic ISO CSR standards.

A fourth concern is that ISO standards intrude unduly upon developing countries' authority to determine their own priorities and norms. Many developing country representatives saw the ISO 9000 standards as imposing on developing country firms a set of managerial norms that prescribe how to produce goods and services yet bear no direct relation to final product characteristics. This concern intensified with the development of the ISO 14000 standards. Not only do EMS standards address production processes and methods rather than final product characteristics, they deal directly with important ethical and public policy issues on which there is substantial variation and disagreement both within and between countries. Some developing country representatives saw ISO 14000 as an attempt by "Northern" business to impose the environmental values of rich industrialized countries on developing countries, values that might not be appropriate given developing countries' limited resources and urgent need for economic development. Concern that ISO EMS standards might infringe states' sovereign rights to determine their own environmental standards were not limited to the developing world. It was, in fact, a major rationale for the decision not to include substantive environmental performance requirements in the ISO 14000 series (e.g. Cascio, Woodside & Mitchell 1996: 14; Bell 1997). This issue is likely to assume even greater prominence as ISO moves more deeply into the development of generic CSR standards..

A fifth issue is whether ISO standards are, in the end, effective tools for improvement of corporate social and environmental performance in developing countries. There are both skeptics and optimists on this issue. Skeptics argue that the ISO 14000 standards are incapable, on their own, of triggering substantial improvements in environmental performance or advancing sustainable development. While such complaints usually come from developed

countries; they have also been raised by or on behalf of developing countries (e.g. UNCTAD, 1996; Gleckman & Krut, 1997; Krut & Gleckman, 1998). In particular, some critics doubt whether the ISO 14000 standards will enhance developing countries' ability to meet the environmental goals – especially those related to hazardous waste and cleaner production – set for industry in multilateral environmental agreements such as Agenda 21 (Clapp, 1998). On the other hand, EMS standards are viewed optimistically in some developing countries as crucial tools for environmentally sustainable economic development. Some developing country representatives embrace the ISO 14000 standards proactively as a “win-win” opportunity to enhance environmental protection, economic development and international competitiveness simultaneously (e.g. Barrett & Forrest, 2000).

4.3 THE CASE OF COLOMBIA

The present project will explore these issues through a handful of case studies. The case studies have a dual purpose: first, to describe in detail the actors, issues and experiences relevant to ISO CSR standardization in specific settings; and second, to derive some broader insights from these specific cases. There is a great deal of variation in actors, institutions, issues, perceptions, goals and experiences related to CSR standardization in both developing and developed economies. Colombia will be the focus of one of the case studies. Colombia is a fascinating case because it combines a diverse business community, a vigorous civil society, a wide range of environmental and social conflicts and an apparently strong collective motivation to address these conflicts. Multinational corporations have a strong presence in Colombia in a range of sectors from natural resource extraction to manufacturing to financial services. Agriculture (especially bananas and coffee) and horticulture (especially cut flowers) are among Colombia's major economic sectors and have a host of social and environmental problems, from poor working conditions to pollution from agricultural chemicals. Primary extractive industries are also prominent, including oil and gas production. These activities have major environmental and social impacts, which take on particular significance in Colombia because they are sometimes located in conflict zones or on lands claimed by indigenous peoples. Colombia

also has substantial light manufacturing, footwear, food products, telecommunications, financial and retail sectors. Many of its industries are export-oriented but its internal market is also very substantial. Some segments of its economy and society are highly sophisticated, technologically advanced, cosmopolitan and prosperous while others are subsistence-oriented, technologically basic, highly localized, stagnant or mired in poverty. Colombia has a staggering variety of enterprises, from market stalls to supermarket chains, from micro-enterprises to huge multinationals, from oil exploration in the jungle to shoe manufacturing in big cities. The economic, social and environmental challenges facing these businesses are highly diverse. As in many developing countries, poverty is widespread, disparities of wealth and poverty are pronounced and government resources highly limited. In this context poverty alleviation and economic stimulation are major concerns for many Colombian businesses, while those living in poverty feel the adverse environmental and social impacts of business most acutely.

Colombia has experienced an ongoing armed conflict for decades, involving a revolutionary movement, numerous right-wing paramilitary groups and the Colombian military, all of which are heavily armed. The conflict is accompanied by a very substantial illegal narcotics economy for which Colombia is, sadly, world famous. The armed conflict and the narcotics economy have major negative implications for the country's economy and society. They affect many Colombian businesses either directly (for example, companies that pay paramilitaries, guerrillas or drug mafias for "protection") or indirectly. Violence is, unfortunately, pervasive. For example, Colombia has the highest rate of assassination of trade unionists of any country. More trade unionists were killed in Colombia in 2000 than in the entire world during the previous year, and the violence continues (ICFTU, 2001, p. 52; ICFTU, 2003, p. 78). On the other hand, Colombians also have a strong wish for peace and progress. The Colombian business community is highly organized and active in social causes. This applies not just to big business and firms embedded in international markets. Small and medium-sized business is also well organized and highly interested in CSR and related issues. Foundations established by private business lead some of the most important social development work in Colombia. Civil society is also well developed and highly energetic in

Colombia, especially in the cities and surrounding areas. Civil society organizations, including environmental, human rights, religious and academic institutions, are highly active.

Colombia's national standards body, ICONTEC, is very active in technical standards development and certification. It is well known throughout the Colombian business community. Its standards are often incorporated into official laws, for instance in the area of product safety. Recently it has become highly active in the field of CSR, having established a committee and three regional working groups (in Bogotá, Medellín and Cali) on the subject. These groups are in the process of drafting a technical guide on CSR, a project that appears to have drawn strong interest from business, public interest NGOs, researchers and government.

Colombia is by no means a "worst case" when it comes to CSR. It has a wide range of social and environmental conflicts many of which are severe. But its business community and civil society also exude energy and appear dedicated to resolving these issues. In many ways, Colombia represents a microcosm of the CSR issues facing not just developing but many developed countries.

5. QUESTIONS FOR RESEARCH

As I mentioned earlier, five main issues have arisen in connection with ISO management systems standards in developing countries: whether these standards constitute non-tariff trade barriers, whether developing country representatives are able to participate fully and effectively in their development, whether ISO standards adequately recognize the special circumstances and needs of developing countries, whether they intrude unduly upon developing countries' authority to determine their own priorities and norms for corporate conduct and whether they will in fact improve corporate environmental performance in developing countries. This list provides a good starting point for the present study, but it does not reflect the full range of issues that are likely to arise in developing countries in connection with ISO and corporate social responsibility.

In this section I flesh out a more extensive set of research questions. Some of the topics and questions are specific to developing countries while

others are relevant more generally. Because this research outline is intended to provide a rough template for all the case studies, I state the topics and questions in general terms at first and then attempt to indicate, through some preliminary illustrations, how they might arise specifically in the context of Columbia. In addition, I should make clear at the start that the research questions are aimed both at ISO's potential future development of generic CSR standards and its past experience with environmental and quality management standardization.

The questions I hope to address in the case study relate to four main themes: (1) the *actors* in the field of CSR and standardization; (2) the *institutions* through which these actors interact; (3) the *content* of CSR standards; and (4) the *effects* of CSR standards.

5.1 ACTORS

The first set of issues has to do with the actors involved or interested in standardization and CSR. Who are the relevant actors with a potential interest in these subjects and what are their concerns and goals? Who makes up the constituency (or constituencies) for CSR standards? Who stands to be affected, positively or negatively, by the presence or absence of CSR standards? Clearly, the relevant actors may be found in all domains of human interaction, including markets, the state and civil society. For each group of actors we will want to know, among other things, what drives their interest in CSR or standardization, how they understand CSR as a problem and what their main experiences, perceptions, concerns, goals and plans are in relation to this problem, including the question of ISO's role in this field.

In concrete terms, this will involve a number of subsidiary questions. Within the Colombian business community, which sectors or firms are most interested in CSR standards and why? Is interest concentrated among large multinational firms and export-oriented sectors or is it found in domestic markets and small businesses? In general, interest in ISO management systems standards has been highest among firms active in international markets: multinational corporations, their local affiliates and suppliers, other export-oriented firms and very large domestic firms. Interest in management systems and ISO standards is generally low among firms operating exclu-

sively in domestic markets. This is especially true in developing countries where such interest is often non-existent.⁶

What about economic sectors: do firms in extractive industries, for instance, have different interests, goals, concerns and experiences from firms in financial, manufacturing, agricultural or other sectors? If specific firms or trade associations have been particularly active or inactive in the field of CSR, why have they been so? Are firms or sectors with worse records of CSR more or less likely to take an active interest in CSR standards? What sorts of factors drive various business actors' interest in improving corporate social performance: adverse publicity, customer demands, fear of legal liability, desire to forestall more stringent government regulation, potential cost-savings, improved international or domestic competitiveness, ethical commitments, etc.? How, if at all, does the ongoing armed conflict affect Colombian business actors' attitudes and behaviour regarding corporate social responsibility? Finally, how do Colombian businesses put their views on CSR into practice, for example by applying CSR principles to their own operations; making philanthropic donations to charitable causes or participating in non-profit business associations dedicated to CSR?

Similar questions can be asked about civil society: what segments of Colombian civil society and what kinds of civil society organizations take an interest in CSR? What are the similarities and differences among, say, environmental, consumer, labour, human rights, indigenous peoples' and other groups? What about domestic versus foreign (or transnational) civil society organizations? What role do academic researchers and research institutions play in the CSR arena in Colombia? How do all these actors put their views on CSR into practice? And the same sorts of questions, once again, can be asked of government actors. Which Colombian public authorities, from legislators to government agencies to courts and so on, take an active interest in corporate social responsibility, what motivates their involvement in this area, how do they conceptualize the problem of CSR and its appropriate solutions and how do they conceive their own role in this field? What are the differences in mo-

⁶ E.g., Long, 1999 (indicating that the vast majority of ISO 14001 certificates in Malaysia were awarded to large, foreign-owned firms).

tivation, perception and action between, for instance, government agencies responsible for industry, commerce, international trade and economic development, on one hand, and those responsible for environmental protection, natural resource management, consumer protection, human rights, social development and labour relations, on the other? What role do foreign official development aid agencies play in this arena? What role do constitutional guarantees of human rights and freedoms, along with the courts entrusted with adjudicating these rights, play in this arena? Conversely, what role do national or international laws promoting trade and protecting foreign investors' rights, such as bilateral or regional free trade agreements, play in this field? What roles do international governmental organizations such as the World Bank, World Trade Organization and United Nations play in this field?

Among all these actors with a potential interest in corporate social responsibility, it is also important to identify the subset of actors who take an active interest in *standardization* (i.e., the activities of recognized standards bodies at the national and international level) and to consider what distinguishes this subset from the wider group. If actors participate in standardization at the national or international level, why and how do they do so? If they do not, why not? Motivations for business representatives to support CSR standardization might include a wish for consistency and comparability among different firms' CSR programs and a desire to integrate existing management systems. Motivations among consumer representatives might include a wish to push firms to improve their CSR performance, a desire to reduce confusion among different CSR initiatives and to ensure the credibility and transparency of such initiatives. For many governments, interest in voluntary standards is driven by a desire to "reinvent" government, reducing reliance on coercive, costly regulation and encouraging voluntary, flexible and innovative tools to improve corporate social performance. Among environmental, labour and human rights groups, some see voluntary standards as useful tools for improving corporate social performance while others reject them as a corporate public relations ploy.

When identifying relevant actors it is important to include not just those who seek to mold other actors' conduct in this area, but also the actors who are the subjects of such efforts. Put in more general terms, we are interested in both those actors who seek to govern and those whom they seek to

govern. We might call the former “authorities” and the latter “subjects”. Who seeks to exercise authority in the field of CSR and standards, how do they do so and what goals and projects do they pursue? Who are the subjects of these governance projects and how do they experience and respond to such projects? It is also important to be sensitive to the complexity of authority-subject relations. Actors are frequently both “governors” and “governed,” seeking to shape others’ conduct to their ends and simultaneously being the targets of other actors’ efforts to do the same. Subjects resist efforts to govern them, often pursuing their own governance projects. Sometimes one can identify fairly stable relations of domination and subordination while at other times sometimes it is difficult to tell who is governing and who is being governed. To give a concrete illustration from the field of management systems standards, business firms are simultaneously “authorities” and “subjects” since they are among the most influential actors driving the development of management systems standards and simultaneously the primary targets of such standards. The same can be said of public authorities, which in some respects seek to govern the development or uses of voluntary standards and in other respects allow themselves to be governed by voluntary standards (for specific illustrations see Wood 2002-03).

5.2 INSTITUTIONS

From actors we move to the institutions through which various actors interact in pursuit of their goals. The question of the institutions through which norms for human conduct should be developed is in some ways as important as the question of what those norms should be. The choice of institution can have a decisive impact upon the content of the norms generated, not to mention the processes by which they are developed, who participates in those processes and how effectively they participate. Institutions channel the possibilities for action in specific directions, constraining certain actors and projects while enabling others.

Since this project is about CSR standards, it will focus on standardization institutions, that is, ISO and its national member bodies such as ICONTEC. It will also, however, consider the role of institutions outside the standardization community, including government bodies, business organi-

zations, charitable foundations, civil society organizations and informal networks. The general goal will be to assess the position and role of standardization bodies in this broader institutional context. The study will evaluate, ultimately, whether standardization bodies (in particular ISO) are appropriate institutions in which to address the problem of corporate social responsibility, which other institutions might be better situated to address this problem and how these various institutions should relate to each other.

First, the case study will examine the structure and functioning of ISO from the point of view of relevant Colombian actors. It will canvas the views and experiences of Colombians who have participated in or followed ISO standards development in the fields of CSR, environmental and quality management. What roles have Colombians played in such ISO work? Have any Colombians taken leadership roles in ISO standards development? Members of the ISO community sometimes speak of the world in terms of standards "makers" and standards "takers" (Wraight, 2003). Which category do Colombians see themselves in? Do Colombians find that they are able to participate effectively in ISO standards development and that their interests are adequately reflected in ISO standards? What factors contribute to their effective participation in ISO, for example alliances with other member bodies based on shared language,⁷ financial support from foreign governments or institutional support from ISO itself⁸? What obstacles or drawbacks have they encountered or do they anticipate in such participation? In particular, do they perceive "Northern" interests as dominant and Colombian interests or those of other developing countries as marginalized in ISO?⁹ Do they perceive consumer, environmental or human rights groups, government authorities or small business as marginalized in ISO? If so, what accounts for these relations of

⁷ For example, Spanish speaking countries created the Spanish Translation Task Force (STTF) to present a united front on issues related to translation of ISO 14001 and 14004 into Spanish. The Colombian case study will explore how significant this group was (and is) for Colombia.

⁸ As to the latter, the case study will explore Colombian experiences with and perceptions of ISO's formal efforts to strengthen the role of developing countries, including the Developing Countries Program (ISO/DEVPRO) which operates under the auspices of ISO's central governing organs, and ISO/TC 207's Developing Countries Committee (DEVCO).

⁹ This has been one of the principal criticisms of ISO/TC 207, the technical committee that developed the ISO 14000 series of standards. See, e.g., Roht-Arriaza, 1995, 1997; Rodgers 1996; Bennett 1997; Davy 1997; Krut & Gleckman 1998; Clapp 1998; Morrison et al. 2000.

influence and marginalization, in their view? Do they experience language, lack of financial resources, lack of human resources, ISO's institutional structure or its institutional culture as obstacles to effective participation in ISO? Do ISO standards reflect a genuine consensus of all interested parties? Is ISO too responsive or not responsive enough to the needs of business?¹⁰ Is ISO's traditional approach to technical product standardization suited to the field of generic, broadly applicable management standards? Are ISO's institutional characteristics constant over time or do they exhibit change?¹¹

Another important institutional issue is transparency. Do Colombians find ISO processes transparent or opaque, and do they find this problematic? There are at least two potential issues in this connection. The first is whether ISO proceedings should be closed to the news media. Some people see openness to the media as crucial to ensure transparency and democratic accountability; others see it as compromising the effectiveness of international negotiations. In practice ISO's policy has been to close its standards development meetings to the media, but it turns a blind eye if national member bodies choose to include members of the press in their national delegations. This has been the principal way in which information about the development of ISO 14000 standards has been disseminated to a larger business audience. In this respect ISO is far more secretive than most intergovernmental bodies, which allow members of the press to attend and report on most of their negotiating sessions (Clapp, 1998, p. 303). This is particularly significant for developing countries, many of which do not have the resources to attend ISO meetings and when they do, often have too few delegates to attend all the sessions. A second issue related to transparency is whether ISO standards themselves should be publicly accessible. It is a basic principle in most jurisdictions that people should have free access to the texts of the laws that affect them. If ISO is an increasingly significant governance institution, one might argue that the same logic should apply to its standards. On the

¹⁰ Both views are found, for instance, among critics of the ISO 14001 EMS standard. Some business representatives believe that ISO has lost touch with standards users (i.e. the businesses who implement ISO standards), while some NGO representatives feel that ISO is beholden to business.

¹¹ Many of these issues about ISO's structure and processes are canvassed in ISO/AGSR, 2004.

contrary, ISO, unlike many intergovernmental organizations, "does not see providing information to the public at little or no charge as one of its key roles" (Clapp, 1998, p. 308). Indeed, the opposite is true. ISO standards are not publicly accessible. ISO *sells* its standards and relies on this revenue to finance its operations. It guards its intellectual property in ISO publications jealously and has refused requests to disseminate the ISO 14000 standards free of charge in developing countries (it does, however, distribute a general ISO 14000 guide for developing countries free of charge).

The case study will also canvas participants' views on possible solutions to ISO's institutional problems. If ISO is not sufficiently representative of, or responsive to, developing countries or other actors, can this problem be addressed through changes to ISO's institutional structure, rules and procedures? Does it require a redistribution of resources to under-represented actors, and if so how could this be achieved? Are there viable institutional alternatives to ISO for the development of international CSR norms or should developing countries resign themselves to ISO, despite its flaws, as the "only game in town"?

From ISO we move to its national member bodies. One of the main ways in which ISO seeks to ensure the representation of all interested parties in ISO standards development is by delegating the problem of representativeness to its national member bodies. ISO membership is restricted, in theory, to the "most representative" standards body in each country (ISO, no date). In principle, ISO national member bodies must ensure that their national input to ISO standards development takes into account all relevant interests at their national level (ISO/IEC 2001, clause 1.7.1). National standards committees are supposed to achieve balanced representation of all interested communities: industry, professional/consulting (e.g., auditors and registrars), scientific/technical, government/regulatory, consumers, civil society (e.g. environmental and human rights groups) and academic. This is supposed to ensure that standards represent a consensus of all interested parties. In practice, however, business and professional interests tend to dominate and consumers, civil society and governments tend to be chronically under-represented in national standards bodies and even more so in national delegations to ISO meetings. ISO does very little to supervise or enforce the requirement of balanced representation.

So the case studies will examine the structure, membership and functioning of national standardization bodies: in the Colombian case, ICONTEC. Do relevant national standards bodies' rules require balanced representation of all interested parties? How are such parties identified? Is their participation actively solicited? Is balanced representation achieved in practice? Which interests are represented on ICONTEC's CSR and EMS committees and which are not? How is participation in standards bodies' work financed: do participants pay their own way or are resources provided to enable certain actors to participate? Do the relevant actors find that they are able to participate effectively in national standards work? Do they believe that their interests are adequately reflected in national standards? What factors contribute to or hinder their effective participation? Do they perceive particular interests (e.g. multinational or export-oriented firms) as dominant and others (e.g. small business, civil society or government social regulators) as marginalized in Colombian standardization work? Do they find ICONTEC processes to be transparent or opaque? What do they see as viable solutions or alternatives?

National standards bodies and any CSR standards or guides they produce will face a serious credibility deficit unless they ensure effective participation by relevant civil society organizations. In the Colombian case, as in the other case studies, numerous questions arise in this connection. Do relevant civil society interests participate on CSR standards committees? If they are actively and effectively represented, how was this situation secured? If civil society involvement is low or non-existent, why? Did relevant civil society organizations wish to participate but were not invited? Were they invited but declined? Are they unable to participate effectively due to resource or expertise limitations? Are they unaware of or uninterested in standardization? Are standards bodies unaware of or uninterested in them? Are relations between relevant civil society organizations and business or other actors too hostile for mutual participation in standards development to be productive?

At a more theoretical level, the case studies will investigate how the institutions of standardization and management systems operate at the level of discourse and technique to shape the way we think and act about corporate social responsibility. At the level of discourse, this will involve an investigation of *problematizations*: how is CSR conceptualized as a problem and what

does this imply for how the problem of CSR should be governed? (See Wood, forthcoming). It will also involve an investigation of *authorizations*: how is the authority of standardization bodies, standards and management systems established and consolidated? (Ibid.; see also Rose & Valverde 1998). How do the discourses of standardization and management systems seek to delineate a domain for their authority and to establish the appropriate relationship between their domain and those of other authorities? While these questions sound rather abstract, they have very concrete implications which can be investigated in specific empirical contexts (e.g., Wood, forthcoming).

Aside from the level of deliberate discourse, how do standards and management systems operate as *technologies* for governing human conduct? (See Wood, 2002-03, 2003, & forthcoming; see also Rose & Miller, 1992; Dean, 1999). One EMS advocate writes that you cannot support or oppose ISO 14001 any more than you would support or oppose a hammer, since like a hammer, ISO 14001 is simply a neutral tool whose value depends on how it is used (Bell, 1997). Another EMS expert disagrees, saying that no management tool is neutral: even hammers come in a variety of shapes and sizes some of which are inappropriate for the job at hand (Sheldon, 1997, p. 15). But he misses a larger point: when you're holding a hammer, whatever its shape or size, everything begins to look like a nail. Standards and management systems, viewed as governance technologies, inculcate in both governors and governed certain modes of perception, roles, practices and ways of carrying on. They shape, in a subtle way, how we see our world, act upon it and in turn are acted upon (Rose, 1999).

Standardization and management systems, viewed as governance technologies, tend to make all issues look like mundane, technical, apolitical matters to be identified, planned and managed through purportedly neutral, universal standard procedures and managerial techniques. They make most corporate managers' eyes glaze over in board meetings (Sheldon, 1997, p. 11). They are essentially invisible to all but those directly involved in their design and implementation. They are inserted into the detailed, everyday routines of countless factories, offices and organizations. It might be argued that standardization and management systems do the "housework of capitalism" (Salter, 1993-94). Like housework, they are "detailed, mundane, repetitive, and never completed" and "both essential and unrecognized in the constitu-

tion and reproduction of economic and class relationships" (ibid., p. 107; see also Ewald, 1990, p. 152). They are inconspicuous, existing almost entirely out of the public eye in countless standards bodies and organizations. Just as housework tidies the home and facilitates the efficient and healthy operation of the household, standards and management systems purport to "tidy up" production and exchange, facilitate the efficient running of the economy, enable firms to put their environmental "house" in order and turn their potentially chaotic and confusing interactions with their natural and social environment into a series of orderly, everyday routines (I expand upon these issues in Wood, forthcoming).

Management systems and standardization might also be considered technologies of large, "Northern," bureaucratic, hierarchical business organizations, imbued with the values of technocratic management and global free trade. While they may be made to appear universal, neutral and applicable to organizations everywhere, the local knowledges, practices, modes of governance and ways of carrying on that are subject to these globalizing projects may be ignored, devalued, marginalized or erased (Wood, 2002-03, 2003, & forthcoming). Whether these observations are accurate or not, it is important to investigate what implications these governance technologies have for thought and action in relation to corporate social responsibility, both in Colombia and elsewhere.

5.3 CONTENT

Third, study will explore the views, experiences and goals of relevant actors related to the content of CSR standards.¹² One question is to whom CSR standards should be directed. Should they be directed primarily to those industries with the most obvious and severe social and environmental impacts, or are they for all kinds of business organizations? Should they be aimed only at business firms or at all kinds of organizations, public or private, large or small – for example, government departments, schools, clubs, local communities or indigenous groups? Are management systems and other CSR

¹² For a detailed discussion of many of these issues, see ISO/AGSR, 2004.

tools appropriate for all kinds of organizations or activities, in all settings? Should CSR standards be sector- or issue-specific, or generic and universal?

Another foundational issue is the scope and definition of CSR. The concept of CSR is notoriously vague and controversial. It is plagued with terminological debates. For example, if CSR is not just for business, should it be labelled “organizational social responsibility” or “social responsibility” *simpliciter*? If CSR encompasses not just “social” but environmental issues, should “social” be dropped from its label? More generally, is it possible to arrive at a meaningful, widely accepted definition of CSR? What sorts of issues does CSR encompass: environmental impacts, labour conditions, consumer protection, honesty and fair dealing, philanthropy, investor fraud, bribery and corruption, human rights abuses, indigenous peoples, armed conflict, corporate transparency, public participation in corporate decisions, etc.? Which of these issues, or others, are most significant and pressing in the Colombian context? How can these issues be translated into specific, measurable indicators and criteria?

Another set of issues relates to the voluntary or mandatory character of CSR and CSR standards. Should CSR standards cover only those commitments organizations undertake voluntarily or should they include certain commitments that are imposed on organizations without their consent? Several questions arise in this connection. First, should an organization's CSR obligations be determined on an objective or subjective basis? The ICONTEC CSR committee, for example, is currently considering whether CSR should be defined in relation to interested parties' “legitimate” rights and expectations or only their “agreed” expectations.¹³ Secondly, who should determine what an organization's CSR commitments are: the organization itself or some external party? If the organization itself, how does one avoid self-serving determinations that would impair the standard's credibility? If an external party, who is in a position to make such determinations? Many standardization participants are concerned about giving too much power to private auditors and registrars to determine the scope of organizations' CSR obligations. Thirdly, how should CSR standards deal with compulsory legal rights and

¹³ Personal observation, meeting of ICONTEC working group on CSR, Bogotá, Colombia, 21 May 2004.

obligations? Should CSR standards be restricted to a firm's voluntary commitments or should they also include rights and obligations that are legally compulsory? Does CSR mean meeting one's legal obligations or does it mean going beyond them? Should a CSR standard require an organization actually to comply with all its relevant legal requirements, or only "commit" to comply with them?¹⁴ Finally, should observance of CSR standards themselves be voluntary or mandatory? The standards developed by ISO and its member bodies are usually voluntary by definition. Mandatory standards are usually promulgated by the state, but nominally voluntary standards can become mandatory *de facto* if enough commercial actors in a particular market demand their observation. As a result the distinction between mandatory and voluntary standards is slippery and ambiguous.

One of the most controversial issues relating to the content of CSR standards is whether they should be performance-based or process-oriented. What should be standardized: management processes or corporate performance levels? In TC 207 the decision was made at the outset to focus on management processes and exclude performance requirements from the scope of the ISO 14000 series. Most of the current CSR standardization initiatives undertaken by ISO member bodies, including ICONTEC, similarly focus on management processes rather than performance requirements. On the other hand some interested parties have indicated that they will only accept ISO CSR standards if they set substantive requirements for corporate performance (e.g., ANEC, 2004). The case study will explore Colombian interested parties' views and experiences on this issue.

Next, should CSR standards recognize the special circumstances of developing countries? Is Colombia, or are developing countries generally, differently situated than advanced industrialized countries in relation to CSR? Do Colombian actors believe that ISO CSR standards should accommodate

¹⁴ This was the subject of protracted (and continuing) debate in the development and revision of ISO 14001, which requires a commitment to compliance with applicable legal requirements (ISO, 1996a, clause 4.2). Some observers, mainly from North America, interpret this as meaning that an organization which has an imperfect legal compliance record is still in conformity with the standard provided it takes appropriate action to correct noncompliance and prevent its recurrence, while other observers, mainly from Europe, interpret it as meaning that each and every violation of legal requirements is a non-conformity with the standard.

developing countries through, for instance, special phase-in periods, less stringent requirements or commitments to transfer resources, knowledge or technology to developing countries? Even if such provisions would be desirable in principle, would they be feasible in practice? While such concessions have been achieved (at least on paper) in many intergovernmental negotiations, they have been non-starters in ISO.

What about transparency? What should CSR standards require in terms of transparency of target organizations' processes, objectives and performance? Should some form of external communication on these matters be required? Should organizations be required to go farther and actually involve external interested parties in internal decision-making? What are the benefits and drawbacks of such requirements from the perspective of various actors?

Another question is how and by whom conformity with CSR standards will be verified. Should participating organizations be required to have their conformity to CSR standards certified by an independent third party or should this be optional? What are the implications of this decision, especially for small organizations for which the costs of third-party certification might be prohibitive? If formal third-party certification is not required, what might be done to ensure the credibility of organizations' self-declarations of conformity to CSR standards? Are there credible intermediate forms of external verification, and how might these be tailored to the needs of Colombian organizations? One might ask also should the processes and results of conformity assessment should be kept secret or made public? Will developing country organizations have to pay expensive global consulting firms to conduct conformity assessments or will local, developing country registrars be acceptable? Who will ensure the objectivity and credibility of the organizations that conduct conformity assessment: who will "watch the watchers" (Hardin, 1968, p. 1245-46)?

Finally, it is not enough just to assess an organization's conformity with a standard. There is also the question of the consequences of non-conformity. If non-conformity carries no particular consequences, the credibility and effectiveness of the entire scheme may be in jeopardy. The voluntary standards developed by ISO and its member bodies typically do not spell out any consequences for non-conformity beyond withdrawal of certification, but even

the fact of decertification is usually disclosed only at the discretion of the affected organization. Granted, there may be informal sanctions for non-conformity, such as loss of customers, decreased international competitiveness and impaired public image (if the non-conformity is publicly disclosed). The case study will explore the existence and significance of such formal and informal sanctions for non-conformity for Colombian organizations. This is likely to be an important issue for consumers and civil society organizations, because for them this issue, along with the two preceding points about transparency and conformity assessment, are really about access to justice. Access to justice is one of the central problems in the defence of human rights and environmental quality. How can individuals or groups affected by corporate conduct acquire information about the conduct in question, challenge the corporation's failure to abide by its commitments and obligations and achieve effective remedies for the resulting harm? As one of the organizers of this conference has written, access to justice requires more than access to the courts; it requires access to alternative mechanisms as well (Londoño, 2004, p. 23). In the context of corporate social responsibility, CSR standards may be such alternative mechanisms, but they will be inadequate unless they provide genuine tools for individuals and groups to expose, challenge, punish or remedy corporate misconduct.

5.4 EFFECTS

For many people the most important question about CSR standards concern their effects. How, if at all, do CSR standards affect environmental quality, human rights, working conditions, social conflict, legal compliance, regulation, profitability, competitiveness, access to international markets, etcetera? One of the main purposes of the case study will be to investigate Colombian actors' views, experiences and goals related to the impacts and implications of CSR standards.

The first question has to do with uptake of CSR standards. In which sectors and which kinds of organizations has the rate of implementation of EMS standards been the highest, and in which is implementation of CSR standards likely to be the highest? This will give a first approximation of which sectors of the economy are likely to be most affected by such standards. Expe-

rience with ISO quality and environmental management standards indicates that export-oriented sectors, especially those that supply multinational corporations, are the most affected by these standards. By contrast, the impacts of such standards may barely be felt at all in sectors of the economy that are internally focussed, technologically unsophisticated and dominated by micro-enterprises. It will also be important to determine what implementation rates are likely to be outside the business community, in particular among public authorities. Implementation of EMSs has been high among public authorities in many countries, ranging from national government departments to local governments. It will be useful to know whether this trend exists in Colombia.

Knowing which entities and sectors are most likely to adopt CSR standards is only a small part of the picture. What we really want to know is what effects such adoption is likely to have. Who is likely to benefit from or be disadvantaged by such standards? In this connection one of the most pressing issues in developing countries, as I mentioned earlier, is whether CSR standards will constitute barriers to international trade for developing country producers. From the perspective of relevant actors in Colombia, what impacts have EMS standards had, and what impacts are global CSR standards likely to have, on trade and competition? Will they benefit mainly multinational corporations and producers in "Northern" countries? Will they place Colombian enterprises at a disadvantage in international markets? What kinds of trade barriers are Colombians most concerned about: official ones erected by governments or informal ones raised by customer demand for ISO certification? Have ISO management systems standards become *de facto* requirements for Colombian firms doing business with particular regions or customers? Have Colombian firms been forced to choose between incurring the substantial expense of implementing ISO standards or losing valuable customers? What do they expect to happen with CSR standards in this regard?

Another trade-related issue is the status of ISO standards in the world trading system. Here many developing country representatives see a cruel irony. On one hand, ISO standards, because they are voluntary, are not considered to violate the prohibition against trade restrictions based on production processes and methods (PPMs). This prohibition has been used frequently to invalidate developed country trade restrictions on developing country exports.¹⁵

Many developing country actors believe that management systems standards are PPMs, because they impose requirements unrelated to final product characteristics. Because they are voluntary and "private", ISO standards may be used to circumvent the prohibition against PPM-related trade restrictions. The irony is that on the other hand, international trade rules in turn give these voluntary standards the force of trade disciplines in certain circumstances. The 1994 Agreement on Technical Barriers to Trade requires governments to base their technical regulations (i.e. regulations governing product characteristics) on voluntary international standards, where such standards exist. This means that if developing countries adopt technical regulations that depart significantly from ISO standards, their regulations may be challenged as illegal trade barriers.

These potential trade implications, in combination with concerns about equitable participation by developing countries in ISO standards development and ISO's failure to recognize the special circumstances of developing countries (e.g. through differentiated obligations, technology sharing and resource transfers), raise a broader concern for developing countries. Many developing country representatives worry that ISO standards will result in a "rollback" of gains achieved by developing countries in intergovernmental environmental negotiations over the preceding twenty years (Clapp, 1998, pp. 306, 312). The case study will investigate attitudes and experiences regarding this issue in Colombia.

Another possible impact of ISO standards, as I mentioned earlier, is to restrict the authority of developing country societies and governments to determine for themselves their preferred goals and standards for corporate social responsibility. Do Colombian actors see ISO standards as an invasion of Colombian sovereignty? To what extent is the concept of sovereignty still useful in an era of globalization? Do Colombian actors see in ISO standards a danger of imposing the regulatory cultures, environmental and social values of wealthy, advanced industrialized countries upon developing countries? What are the practical implications of this – for instance, do Colombians fear that it will stifle national economic development? This issue is related to the issue of trade implications, discussed above. Some developing country representatives saw the ISO 9000 quality management standards as illegitimate PPM mea-

asures, dictating to developing countries how goods and services ought to be produced with no direct bearing on final product characteristics. This concern was intensified with ISO 14001, and it promises to intensify even more as ISO moves even deeper into governing the social impacts of the production and exchange of goods and services.

Another question about the effects and implications of ISO CSR standards is the role they play or ought to play in official law and policy. What impacts have EMS standards had on public authorities' regulatory strategies and upon the content and enforcement of environmental laws and policies? This has been a highly controversial issue in the environmental field, with a wide range of governments experimenting with diverse ways of incorporating EMS standards into official regulatory strategies (for a survey of such experimentation and its implications see Wood, 2002-03, 2003). Such experimentation has been less intense in developing countries but it is still occurring at a significant level. It is particularly appealing to many developing country governments who see voluntary standards as attractive supplements or alternatives to non-existent or inadequately enforced environmental and social laws.

The case study will explore Colombian actors' experiences and views on the impacts of EMS and CSR standards on official law and policy. What proposals have been made and what actions have been taken to integrate such standards into official law and policy in Colombia? What are relevant Colombian actors' concerns and hopes for such integration? For example, are voluntary EMS or CSR standards likely to spur firms to comply with laws in circumstances where enforcement by the state is inadequate or unlikely? What impacts have EMS standards had on legal compliance by firms operating in Colombia? What might other countries learn from Colombia's experiences in this area, and what might Colombians learn from experiences elsewhere?

Next comes the question of the environmental and social effectiveness of CSR standards. Will CSR standards enhance the ability of businesses, governments and civil society in Colombia and other developing countries to achieve their goals and international commitments for sustainable development and social justice? As I indicated earlier, there are both skeptics and optimists on this question. It is worthwhile mentioning, however, that most of the published skepticism on this point has come from international organiza-

tions and "Northern" consultants and NGOs working on behalf of developing countries (e.g., UNCTAD, 1996; Gleckman & Krut, 1997; Krut & Gleckman, 1998). Although one should not make too much of this fact, one question in the case study will be whether Colombians share this concern and how significant it is in comparison with other issues such as trade implications. In the view of Colombian actors, are EMS or CSR standards likely to have a positive impact on environmental or social conditions in Colombia? What factors contribute to their effectiveness or ineffectiveness in this regard? If they are not likely to be adequately effective, what would improve their effectiveness? For instance, should they be combined with the transfer of cleaner production technology or of best practices relating to social responsibility, etc.?

In this regard one question is whether large transnational firms based in developed countries may in fact have a positive impact on environmental and social quality in developing countries by transmitting CSR values and tools upward through their supply chains. Can multinational corporations "serve as transmission belts not only for EMS adoption but real performance improvement among their suppliers" (Roht-Arriaza, 1997, pp. 596-97)? If so, do Colombians consider this influence to be beneficial or unwelcome? In addition, if multinational firms exercise such influence, do they assist their suppliers to improve their performance, for instance by providing training and resources (*ibid.*, p. 597)?

Another question is the extent to which developing country representatives may embrace ISO CSR standards enthusiastically as strategic tools for sustainable development. As I mentioned earlier, some developing country governments have embraced ISO 14001 as a "win-win" tool for environmental protection and economic development (Barrett & Forrest, 2000). The OECD promotes EMSs as an integral part of territorial development strategies (OECD, 2000). One of the key questions in the Colombian case study will be whether any Colombian actors share these enthusiastic views, why they agree or disagree and what role they see for ISO CSR standards in national or local strategies for sustainable development.

¹⁵ This prohibition has been used frequently to challenge trade restrictions placed on developing country goods, the most famous example being the U.S.'s prohibition against tuna caught using methods that harm dolphins.

Finally, underlying all of these questions about the effects of ISO CSR standards is the question of power. What effects do (or might) CSR standards have on existing power relations, how do they operate to shape, consolidate, extend or challenge social power relations in Colombia, and can they play a role in transforming social power relations in a progressive direction? In the end, this is the key question for this study. What impact, negative or positive, might ISO and its standards have on the power relations that underlie environmental and social conflict?

CONCLUSION

These are, in rough outline, the sorts of questions I seek to address in this research project. They give a good general indication of the issues and challenges that face businesses, consumers, environmentalists, labour leaders, human rights activists, public authorities and others in Colombia and elsewhere as they grapple with the question of how to govern corporate conduct in the interest of environmental quality, social justice and human prosperity. They also address some of the same basic questions that preoccupy many of those interested in the conference themes of property, conflict and environment: how are power relations constructed, reproduced and challenged in given fields of human conduct, how do institutions, discourses and technologies associated with the state, law or business shape the possibilities for thought and action in these fields and what are the possibilities for employing these institutions, discourses and techniques in the service of a socially transformative political agenda? The present research project promises to contribute, in a small way, to the quest for answers to these questions.

GLOSSARY

AGSR	ISO Advisory Group on Social Responsibility
COPOLCO	ISO Consumer Policy Committee
CSR	Corporate social responsibility
DEVCO	ISO/TC 207 Developing Countries Committee
DEVPRO	ISO Developing Countries Program
EMS	Environmental management system
GRI	Global Reporting Initiative
ICONTEC	Instituto Colombiano de Normas Técnicas
IEC	International Electrotechnical Commission
ISO	International Organization for Standardization
NGO	Non-governmental organization
OECD	Organization for Economic Cooperation and Development
PDCA	Plan, Do, Check, Act
QMS	Quality management system
STTF	ISO/TC 207 Spanish Translation Task Force
TC 207	ISO Technical Committee 207, Environmental Management
UNCTAD	United Nations Centre for Trade and Development
WBCSD	World Business Council for Sustainable Development
WWF	World Wildlife Fund

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